



OFFICE OF MANAGEMENT AND BUDGET

Marc Elrich
County Executive

Richard S. Madaleno
Director

MEMORANDUM

December 20, 2019

TO: Sidney Katz, Council President
Nancy Navarro, Chair, Government Operations and Fiscal Policy Committee
Gabe Albornoz, Chair, Health and Human Services Committee

FROM: Richard S. Madaleno, Director 

SUBJECT: FY21 Community Grants Application Process (REVISED)

As discussed at the Government Operations and Fiscal Policy (GO) and Health and Human Services (HHS) Joint Committee work session on October 24, the Office of Management and Budget (OMB), together with Council Staff, representatives from the nonprofit community, and County Staff, developed six options for a framework and a proposed implementation plan to reform the Community Grants Process. Following the Joint Committee work session, OMB and Council staff conducted outreach efforts to discuss the reform options with members of the nonprofit community. Together, OMB and Council staff presented to a Community Grants Forum hosted by Nonprofit Montgomery on November 5, 2019 to discuss the options for reform and answer questions. Furthermore, Nonprofit Montgomery, OMB, and Council staff facilitated five focus groups in late November and early December to collect specific feedback on the proposed reforms directly from the nonprofit community. Those five focus groups were attended by representatives from 52 nonprofit organizations. The forum and focus groups were successful in collecting feedback, concerns, and recommendations on the six options for a framework and implementation plan.

We have been informed that the Council intends to hold a full Council work session early in the new year to discuss in-depth options for reforming the Community Grants Process. We look forward to having conversations with Council on the options presented in October along with the feedback that was collected through our initial outreach efforts. Per the implementation plan discussed with Council and the nonprofit community, the most significant community grants reform options would occur in FY22. However, a decision needs to be made about the community grants process for FY21, as this information will need to be included in the County Executive's FY21 Recommended Budget that will be transmitted to Council in March. Based on feedback we received from Council members at the October Joint Committee work session and from the nonprofit community the County Executive recommends moving forward as follows for FY21:

- The County Council and County Executive FY21 Community Grants programs, including the application process and corresponding Non-Department Accounts (NDAs) will be combined, creating a single, streamlined process.
- The community grant application portal for FY21 grants will open for submissions on January 2, 2020.

Office of the Director

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- OMB and Council staff will conduct Community Grant application training workshops throughout the County for nonprofit partners during the week of January 6, 2020. These are scheduled for:
 - Tuesday, January 7, 2020 – Plum Gar Recreation Center at 10:00 am;
 - Tuesday, January 7, 2020 – Wheaton Community Center at 2:00 pm;
 - Wednesday, January 8, 2020 – Council Office Building at 5:30 pm; and
 - Thursday, January 9, 2020 – Silver Spring Civic Center at 10:00 am.
- The Community Grant application portal will close on January 29, 2020.
- OMB and departmental staff will review the renewal grant applications and make recommendations to the Executive, and the Executive will include specific recommendations for renewal grants in his FY21 Recommended Budget in March.
- The Executive will include in his FY21 Recommended Budget, subject to affordability, an amount of funding available for new and enhanced community grants programs.
- Due to timing constraints, recommendations for specific new and enhanced Community Grants will not be included in the FY21 Recommended Budget. Instead, OMB and Council staff will jointly develop a review process for new and enhanced programs. These recommendations will be transmitted to Council after March 15.

Given the current fiscal climate and the intention to transition to a new Community Grants process in FY22, the County Executive will recommend prioritizing funding in the following order:

1. Renewing viable and effective FY20 Community Grants funded programs.
2. Renewing programs and funding levels for Community Grants from FY18 and FY19, if they were funded at a lower level or not funded for FY20.
3. Creating, as funding allows, a limited pool of resources for new programs or program enhancements.

As has been discussed with Council and the nonprofit community, the Community Grants application and review process for the Cost-Sharing Capital Grants process will not change so that State matching funds can continue to be maximized. Keeping with current practice, specific recommendations for Cost-Sharing Capital Grants will be included in the FY21 Recommended Budget.

We look forward to continuing our conversations with Council and the nonprofit community on reform options for the Community Grants process, to make it fairer, more outcome focused, and more accountable. Should you have any questions, please feel free to reach out to me, Rafael Murphy, or Joshua Watters at OMB.

RSM:rm

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